

**July 1, 2008 – June 30, 2009**

**CONSOLIDATED PLAN FOR  
MONTGOMERY COUNTY, MARYLAND**

**Background**

This Plan sets forth overall needs for community and economic development, including affordable and supportive housing; it also identifies the needs of special populations, such as the homeless and persons with disabilities. The Consolidated Plan provides a comprehensive strategy for addressing identified needs that relies on both public and private resources and participation by and coordination with all interested parties, with an emphasis on citizen input. A federally-approved plan is required of all states and local jurisdictions entitled to receive federal funds under the following programs:

Community Development Block Grant (CDBG)  
Emergency Shelter Grant (ESG)  
HOME Investment Partnership (HOME)  
Housing Opportunities for Persons with Aids (HOPWA)

This Action Plan specifically identifies how funds received for the year will be spent to meet the priority needs identified in the Consolidated Plan.

For the fiscal year July 1, 2008 - June 30, 2009, Montgomery County has been notified by HUD, that upon approval of its Consolidated Plan/Annual Action Plan, it is eligible to receive the following amounts:

• Community Development Block Grant (CDBG)	\$ 5,068,129
• HOME Investment Partnership (HOME)	\$ 2,260,422
• Emergency Shelter Grant (ESG)	<u>\$ 226,875</u>
	<b>\$7,555,426</b>

Housing assistance for persons with HIV/AIDS is provided based on metropolitan (and non-metropolitan) service areas through the Housing Opportunities With AIDS (HOPWA) program. In Maryland, there are four metropolitan service areas which help provide housing assistance to persons with HIV/AIDS, including the Washington, D.C., which assists persons living in Prince George's, Charles, and Calvert Counties; Baltimore City, which helps persons living in the City as well as Anne Arundel, Baltimore, Carroll, Harford, Howard, and Queen Anne's County's; the City of Gaithersburg (administered by the State of Maryland), which serves Frederick and Montgomery Counties; and Wilmington, Delaware, which serves Cecil County. The State of Maryland also serves the remaining counties, including Allegany, Caroline, Dorchester, Garrett, Kent, Saint Mary's, Somerset, Talbot, Washington, Wicomico, and Worcester. Montgomery and Frederick Counties represent 20% of the State's population and 7.5% of the living cases

of HIV in the State. The AIDS Administration contracts with the Montgomery County Department of Health and Human Services to provide long-term rental assistance through the HOPWA program in Montgomery County and with the Housing Authority of the City of Frederick to provide long-term rental assistance in Frederick County.

In addition, low-income Montgomery County residents with HIV/AIDS who receive HOPWA assistance receive case management services through the Department of Health and Human Services. These individuals are linked with local providers who support their social service needs, which may include medical care, addiction services/treatment, referrals for counseling, emergency financial assistance, home health care aide services, and assistance with rent, moving, utility, and other expenses.

In order for local agencies to receive funding under certain competitive programs, such as those for supportive housing, the county must have an approved Consolidated Plan in place and the applications for funding under these programs must be consistent with the needs and priorities identified in the Plan.

Generally, the county will apply for, or support applications for funding from other sources that address priority needs. The level of support will be contingent on an evaluation of all direct and indirect costs to the county, including the need to commit county resources to meet any matching or cash contribution required as a condition of funding.

### Development Process

The Department of Housing and Community Affairs (DHCA) is the lead agency responsible for the submission of the Consolidated Plan to HUD. The Plan is to be delivered to HUD by May 15, 2008. Montgomery County residents are afforded many opportunities to express their views and opinions, identify priority needs and discuss gaps in service delivery. Volunteer boards and commissions provide community input in all aspects of public policy and administration. DHCA facilitates an annual public hearing to solicit comments from residents concerning community development needs, with residents provided further opportunity for comment at public hearings held by the County Council in conjunction with annual approval of the budget. While DHCA provides residents with an opportunity to comment on the draft Consolidated Plan, staff also incorporates public input provided through issue-orientated forums and town meetings not directly related to the development of the Consolidated Plan. For example, the County Executive and County Council hold joint public meetings in various locations around the county to listen to resident concerns. Other county departments hold community forums or conduct studies to obtain input in specific policy or program areas, such as services for special populations like the homeless and persons with disabilities or initiatives in the areas of recreation, economic development or commercial revitalization. For example, persons representing some thirty organizations worked on the development of a Continuum of Care for assistance to the homeless. Contact is made with the Housing Opportunities Commission (HOC) of Montgomery County to discuss the concerns of the agency and its residents. Finally, to ensure a regional perspective regarding a variety of

issues including transportation, affordable housing, fair housing and the homeless, the county actively participates in the Council of Governments (COG) as a means of furthering inter-jurisdictional cooperation.

The Consolidated Plan relies, in part, on software that allowed the county to create many of the graphics that are included in this document. In an attempt to make this document available for review/comment by as many interested individuals/groups as possible, draft copies were placed in regional government centers with the public being informed by local newspaper advertisements (copy included in the report) of the availability of the document and the opportunity to comment on it prior to final submission. The newspaper ads also noted that the document was available on the County's website at:

**<http://www.montgomerycountymd.gov/Content/DHCA/index.asp>**

### Administration

The Department of Housing and Community Affairs (DHCA) is the lead county agency responsible for submission of the Consolidated Plan and Annual Action Plan to HUD for receipt of CDBG, ESG, and HOME funds and has been responsible for administration of the funds as well. In conjunction with the implementation of the Consolidated Plan, the Human Relations Commission (HRC) is the lead county agency responsible for directing activities to further fair housing.

The Housing Opportunities for Persons with Aids (HOPWA) program is administered regionally. Montgomery County is now part of the newly created Bethesda-Frederick-Gaithersburg Division, which consists of Frederick and Montgomery Counties. HUD designated Frederick the HOPWA formula grantee for the Division.

### Eligible Activities

A wide variety of activities that principally benefit Montgomery County's low and moderate income residents, as defined later in this document, are eligible for funds through these programs. While programs may target resources to specific populations such as the homeless (ESG) or persons with HIV/AIDS (HOPWA) or activities such as housing (HOME), the overall goal is community improvement, including not only housing-related activities but public facilities and services and expansion of economic opportunities. Activities proposed to be undertaken with CDBG, ESG, HOME, and HOPWA funds are outlined in detail later in this document. A summary of activities proposed to be undertaken is provided later in this document.

### Housing and Market Analysis

The following is taken from **Report and Recommendations Montgomery County's Affordable Housing Task Force** dated March 2008.

Montgomery County, Maryland is an exceptional community. It combines vibrant, exciting and diverse urban centers with attractive suburban neighborhoods and a beautiful and productive agricultural landscape. The County is home to almost one million individuals, making up 18% of Maryland's entire population. It is home to the largest concentration of residents holding a Bachelors degree of any community with a population over 50,000, and it encompasses nearly 500 square miles of land. The economy and community commitment are among the strongest in the nation. The cultural arts environment continues to expand. No longer can it be described as a "bedroom community" to the nation's capital. The attraction is based upon much, including an excellent school system, public services, job availability, well-maintained neighborhoods, and commercial centers. The downside of being one of the most desirable communities in the nation in which to live is the increased inflationary pressures on the County's housing stock. Even though the County has developed some of the most progressive and effective affordable housing programs in the country, programs such as the award winning Moderately Priced Dwelling Unit (MPDU) program, and the Montgomery Housing Initiative Fund (HIF), a model trust fund, our current efforts do not sufficiently address the affordable housing crisis that we now are facing. Indeed, the scope of the affordable housing issue is substantial, encompassing a wide spectrum of income levels from the homeless and special needs populations, well into the range of the middle income workforce. The difficulty, and in some cases the impossibility, of finding affordable housing here has reached catastrophic proportions. The County's Department of Health and Human Services (DHHS) maintains a list of properties that registered and licensed and available to persons with special needs.

To address this issue, Montgomery County Executive Isiah Leggett formed the Affordable Housing Task Force by issuing Executive Order 84-07 on February 28, 2007. Recognizing that the increasing lack of affordable housing will have crippling effects on Montgomery County's residents, communities, and economy, County Executive Leggett brought together a group of dedicated representatives and individuals from all sectors of Montgomery County and the region to form the task force. Housing experts and advocates, representatives of the financial and development industry, builders, housing providers, planners, community members and representatives of governmental departments and agencies all came together to consider the issues and potential solutions.

The full Task Force reviewed, discussed and debated all of the recommendations. Staff then prepared an informal document and presented it to the community-at-large in order to solicit diverse feedback. A series of six work sessions were held at or near each of the County's Regional Service Centers. Each work session consisted of presentation, dialogue, and debate; providing opportunities for significant comment, review, and suggestions. An executive summary of the report prepared by the Affordable Housing Task Force is included in this report. This report includes recommendations and strategies to create and preserve affordable housing.

## Strategies

The following is taken from **Report and Recommendations Montgomery County's Affordable Housing Task Force** dated March 2008.

After identifying the most critical issues affecting the creation and preservation of affordable housing in the County and exploring new ideas and programs that have been proven effective around the country, the Task Force went to work in identifying a variety of tangible and realistic tools to address the housing crisis right here in our own backyards. The Affordable Housing Task Force proposes the implementation of the following recommendations and strategies to the County Executive.

### **Issue 1: Preserve Affordable Housing**

Market pressures are making both rental and ownership housing more expensive in Montgomery County. Households who rent are at a particular risk. It is imperative that Montgomery County retain and preserve the existing affordable rental housing stock by maintaining the affordability of units and reducing the impacts of conversion of affordable rental housing to condominium ownership.

#### **Recommendations:**

- Create a Short Term Property Acquisition Fund
- Create a Revolving Equity Fund
- Work proactively with the private sector involved in housing in order to preserve and maintain as many affordable homes as possible.

### **Issue 2: Create Affordable Housing**

Because of market conditions, including the high costs of land, labor, materials, and regulatory requirements, the construction of affordable housing is less economically viable than it was in the recent past. Demands for public funds are fierce in times of static public revenues. Steps must be taken to reverse this trend.

#### **Recommendations:**

- Add "Increasing Affordable Housing" as a new objective in all future master plans.
- Investigate the use of an affordable housing impact fee on all new non-residential development.
- Create a more attractive planning and economic environment for the development of affordable housing.
- Reduce parking requirements for housing developments in order to reduce homeowner costs, encourage use of mass transit and promote more environmentally friendly patterns of development.
- Develop a comprehensive inventory of all publicly owned sites and properties and make appropriate sites available for housing.

### **Issue 3: Adopt Regulatory Reform**

Regulatory requirements and fees can add time and expense to the development of affordable housing. Easing of some requirements and fees, and the expediting of reviews can save time and money in the production of affordable housing.

#### **Recommendations:**

- Expedite regulatory reviews.
- Permit accessory apartments without requiring special exception permits.

### **Issue 4: Achieve Community Acceptance of Affordable Housing**

The need for affordable housing as an integral part of an inclusive community is often not understood or appreciated. This lack of understanding often leads to opposition to affordable housing programs and developments. To some extent, nearly every aspect of the County is dependent on affordable housing opportunities, near employment centers, for entry level and service sector employees, retired residents, and others who are unable to compete for market priced housing. The County must take steps to help achieve community acceptance, understanding and support of affordable housing. These steps should include the following:

#### **Recommendations:**

- Promote well-designed, low impact affordable housing to foster public acceptance.
- Develop and implement an extensive community support educational campaign.
- Encourage business support of affordable housing initiatives.

### **Issue 5: Goals for Affordable Housing Preservation and Production**

When implemented, the recommendations contained in this report will provide a tool-box of initiatives that will expand the County's ability to preserve and develop affordable housing. To effectively and efficiently address the County's affordable housing needs, there must be an assessment of the demand for housing to serve various populations in the County. The County Housing Policy adopted in July 2001, established annual goals for affordable housing preservation and production by program and by population group. The first step in implementing the recommendations of the Affordable Housing Task Force should be an assessment of and a recommitment to these goals.

#### **Recommendations:**

- Review and assess the affordable housing preservation and productions goals as noted by the Department of Housing and Community Affairs in the July 2001 County Housing Policy.
- Address the very special, specific and diverse needs of the homeless population, developmentally and physically challenged individuals, seniors and others with special

needs by consulting and working with advocates, housing providers, health and human service agencies and organizations.

- Engage the County-Stat program to assist in assessing progress toward meeting the established goals.

## **Issue 6: Home Purchase Assistance for Public Employees**

Montgomery County relies on a dedicated, qualified workforce to provide public services to the County's residents. The cost of housing has hindered the County's ability to attract and retain quality employees. Employees who purchase homes in the community in which they work can provide a reliable, stable workforce that will enable the County to continue to provide public services efficiently and for good value to its residents.

### **Recommendation:**

Create a program that will provide temporary abatement of property taxes, transfer taxes, and recordation fees for eligible County employees who purchase a home in the County.

In addition to the County, the State of Maryland has been active in the housing area particularly with respect to houses being lost to foreclosure. This has a tremendous impact on affordable housing.

#### **The following is taken from a press release of January 2008.**

Governor Martin O'Malley announced new legislation and emergency regulations and initiatives to help thousands of Maryland homeowners at risk of losing their homes and to prevent future generations of homeowners losing their homes due to foreclosure following the sub-prime mortgage crisis facing our entire nation today.

The Governor was joined by Lieutenant Governor Anthony Brown, Department of Labor, Licensing and Regulation Secretary Thomas Perez and Department of Housing and Community Development Secretary Raymond Skinner, and many local elected officials and community leaders in Prince George's County to roll out a comprehensive package of initiatives and reforms aimed at addressing the drastic rise in foreclosures in Maryland.

Last year, Governor O'Malley created the Homeownership Preservation Task Force to develop recommendations on how to help Maryland homeowners, reform lending practices, lengthen the foreclosure process to make it fairer, and crack down on fraud and unscrupulous practices in the mortgage industry.

Foreclosure rates have risen dramatically across the nation, and Maryland has not escaped the trend. From the 3<sup>rd</sup> Quarter of 2006 to the 3<sup>rd</sup> Quarter of 2007, foreclosure events in Maryland increased by 639 percent. The climb is expected to continue this year as many of the adjustable rate mortgages issued in recent years reset to higher interest rates. It is estimated that 33,000 Maryland homeowners are expected to face interest rate resets this year.

The package of initiatives announced today includes the “Bridge to HOPE” Loan Program, which will provide small gap loans at zero percent interest to homeowners facing difficulty, giving them time to get back on their feet or find a solution. The statewide program will be administered by the Maryland Department of Housing and Community Development’s Community Development Administration (CDA).

Governor O'Malley also announced an emergency regulation that will make Maryland the second state in the country to require loan servicers to file detailed monthly disclosure reports about their loss mitigation and loan modification efforts. The reports will outline the precise nature and extent of the actions being taken to assist homeowners who have defaulted on loans.

Governor O’Malley’s legislative package and regulatory proposals include: The legislative and regulatory proposals include bills that will:

Improve the regulation of mortgage industry professionals and reform lending practices by:

Banning pre-payment penalties for sub prime loans;

Assuring a borrower’s ability to repay a loan and verify sources of income; and

Increasing the mortgage licensing requirements, including the surety bond requirement for mortgage lender licensees and institute a minimum net worth requirement.

Create a criminal mortgage fraud statute that covers all potential actors engaged in mortgage fraud.

Modify the Protection for Homeowners in Foreclosure Act (PHIFA), which was passed in 2005, by banning the conveyance of real property in the foreclosure rescue context.

Reform the foreclosure process by:

Requiring a lender to wait 90 days after default before filing the foreclosure action;

Sending a uniform Notice of Intent to Foreclose to the homeowner 45 days prior to filing an action; and

Requiring personal service to notify a homeowner of impending foreclosure and require that a sale may not occur for 45 days after service.

Reform lending practices in Maryland by:

Requiring a duty of good faith and fair dealing for mortgage industry professionals;

Requiring brokers and lenders to show a reasonable net tangible benefit for borrowers when refinancing;

Tracking rates of default and foreclosure of mortgage industry professionals; and

Strengthening the experience requirement to obtain a license.



### Housing Supply and Costs

The median sales price for all types of single-family housing (attached, detached, new and existing) in 2006 was \$485,000.

In 2006, the median sales price for a single-family detached house was \$552,500 (resale) and \$881,600 (new).

In 2006, the average monthly rental cost for all market rate apartment types was \$1,360. Efficiencies averaged \$987 and three bedrooms \$1,608.

There are currently 1,547 public housing units in Montgomery County.

### Household Size

Maryland National Park and Planning Commission reports that after decades of declining average household size from 3.65 in 1960 to 2.62 in 1987, the trend bottomed out in the 1990s. The County's average household size showed an up-tick to 2.70 in 2003. The average household size of single-family homes crossed the 3-person mark (3.04) and multi-family units stayed just shy of 2 people (1.96). The increasing multi-family household size points to more families living in multi-family dwellings and the appeal of luxury condominiums to empty nesters (i.e., parents ages 45 to 64 that no longer have children living at home). Average household size reflects the household's life stage typically demarcated by the age of the household head. The largest average household size, 3.29, occurs in households where the householder is 35 to 44 years old, coinciding with the life stage when more children are present in the household. The large family size of this age group occurs in both single-family structures, averaging 3.68 persons per household, and multi-family households, at 2.35. For single-family householders 25 to 34 years old, the average household size increased from 2.87 in 1987 to 2.98 in 2003.

Characteristics of Montgomery County's current housing stock are summarized in the following table:

**Number of Households**  
(2006 Research Center)

	Number	Percent
Total	350,000	100.0
Owner-occupied	260,005	74.3
Renter-occupied	89,995	25.7

In documenting the high housing cost facing residents, the 2000 U.S. Census reported Montgomery County as having the highest average homeownership and rental costs in Maryland. In 2003, the average monthly ownership cost (including principal, interest, taxes, and insurance) for homeowners is \$1,436; the most costly option, single-family detached houses average \$1,672 per month while garden condominiums averaging \$883 offer the most affordable ownership choice. Average rental costs range from \$950 for garden apartments to \$1,541 for single-family detached houses – the overall average rental costs is \$1,060 in 2003. Since rental households typically have a lower median household income than homeowners, rental households are more likely to incur an excessive housing cost burden. Excessive housing burden is defined as a household spending more than 30 percent of its annual income on housing costs – either contract rent or mortgage costs. Only 14.1 percent of homeowners in 2003 report mortgage outlays exceeding 30 percent of income, compared to 37.7 percent incidence among renters who pay the same percentage of income for contract rent.

More than 16,000 housing units in Montgomery County receive some form of government assistance that results in below-market rents. In addition to subsidized housing developments, there are also unassisted housing developments and households able to locate housing in the private market made affordable through use of federal rental assistance. Currently, Montgomery County uses over \$100,000 in HOME funds for tenant-based rental assistance in conjunction with State Rental Allowance Program funds to assist approximately 40 households each year.

#### Housing - Preservation/Rehabilitation

The housing stock is aging as the county is predominantly built out. This older housing stock is some of our most affordable and therefore needs to be maintained. This includes both owner and renter stock. These homes need not only rehabilitation but also preservation. Expiring subsidies and prepayments must be addressed. It is estimated that up to 1,050 project based Section 8 units could be lost in the next few years as a result of expiring subsidies and prepayments.

#### Lead Hazards

Lead-based paint has become a critical issue that must be dealt with on a priority basis that will create pressure on limited budgets. It is estimated that to date in excess of \$1,000,000 of State and County funds have been committed to projects under contract for lead abatement. DHCA is currently testing pre-1978 structures for lead paint as required by HUD when using CDBG and HOME funds. The lead paint emphasis will increase the complexity and cost of future housing rehabilitation efforts.

The State of Maryland and Montgomery County continue to focus on identifying and correcting health risks created by the presence of lead in paint and water. Maryland has enacted Lead Laws based on primary prevention and has established a standard of care for lead hazard reduction that must be met at each rental turnover for residences built prior to 1950. There is a mandatory Lead Rental Registry for these properties and Full Risk Reduction Inspection Certificates for these properties are required.

Maryland has also established a Childhood Lead Screening Program to promote and provide lead poisoning screening of children in areas of highest risk. Maryland Department of Health and Mental Hygiene (DHMH) has collaborated widely with organizations including the University of Maryland, Maryland's Department of the Environment (MDOE), and the Lead Health Advisory Group and used Center for Disease Control (CDC) guidelines to develop a model for predicting areas of lead paint exposure risk. Four housing variables were found to be predictive, 1) percent of pre-1950 housing, 2) median housing value, 3) poverty index, and 4) percent of homes built between 1950 and 1980. This predictive model classifies census tracts into four levels of risk; high-, moderate-, low-, and negligible-risk (which are generically classified as "at risk") and negligible risk. In Montgomery County, zip codes 20912 and 20913 are "at risk," largely because a large percentage of these buildings were built prior to 1978.

To encourage registration in the Lead Rental Registry, in early March 2004, Montgomery County's Department of Housing and Community Affairs' Division of Housing and Code Enforcement notified all pre-1950 Multi-Family Dwelling owners in zip code 20912 (an area at-risk for lead paint exposure) that failure to register their properties with MDOE by July 1, 2004 would result in denial of their annual Rental Facility License.

The county also funds a program to assist owners of pre-1950 rental housing to test for and mitigate lead paint risks with Housing Initiative monies. Owners of eligible rental properties of 100 units or fewer can receive a \$75 per unit rebate for XRF paint testing. If lead is found, owners can apply for low interest rehabilitation loans to make necessary repairs.

In addition to testing residences, children are tested for possible exposure to lead paint. Montgomery County Department of Health and Human Services (DHHS) recently implemented a requirement that all children who reside, or have previously resided in both "at-risk" zip codes provide documentation from a health care provider that they have undergone blood lead level testing prior to entering a public pre-kindergarten, kindergarten program or first grade. DHHS then initiates various activities based on evidence of any elevated blood levels in these children.

Domestic water is increasingly being scrutinized as a potential source of lead exposure in Montgomery County. Washington Suburban Sanitary Commission (WSSC), the county's public water utility company, has periodically tested single family residences for the presence of lead in the drinking water. Results of these tests continue to be negative, although WSSC has recently expanded the frequency and size of the sampling as awareness of the potential problem has grown, suggesting the water main distribution system for the domestic water is not contaminated. WSSC only uses chlorine to pre-treat the water for bacteria. Water supplies in adjacent Washington, D.C., which uses chloramines to pre-treat the water, have revealed much higher and more pervasive lead contamination in the water. Preliminary research suggests the more corrosive chloramines cuts through the layer of sediment that forms inside the water main, exposing the water passing through to any lead components that may have been used during construction.

Unlike the county's residential water supply, recent tests at several of the public elementary schools in the "at risk" areas have disclosed unacceptable levels of lead at a number of the faucets. In response, students are prohibited from drinking water from any outlet other than specified fountains, which are flushed for 15 minutes every 4 hours while wider testing is being conducted. Remedial measures will be taken in response to the level of contamination such testing may reveal.

### *Population Characteristics*

According to the Montgomery County Department of Park and Planning since 1989, Montgomery County has been the most populous jurisdiction in Maryland. At the time of the 2003 Census Update Survey, the County's estimated total population figure was 925,000, a 6 percent increase from the U.S. Census Bureau's April 2000 estimate of 873,341. Over one-fifth of the Washington, D.C. metropolitan population resides in Montgomery County. Nationally, Montgomery County falls in the top 45 counties ranked by total population.

In 2000, its ranking of 49th just cracked the top 50-population size list; thus, Montgomery County's population size is increasing relative to all other counties. One of the emerging trends of this decade is a marked increase in the County's population growth compared to the 1990s. The two leading contributors to the County's sustained population growth are the unflagging record level of births (the historic pace of more than 13,000 births per year is expected to continue at least until 2010), and the influx of new residents from other states and immigrants from other countries. Montgomery County has already gained almost 52,000 people since 2000, or approximately 15,900 people per year.

The Population Estimates Branch of the U.S. Census Bureau estimates 33,868 net international migrants moved to "gateway" Montgomery from April 2000 to July 2003. This is 46.7 percent of all immigrants that moved into Maryland during this period. In the state, the County's only rival as a magnet for international migrants is neighboring Prince George's County, which attracted fewer than half of Montgomery County's net

immigrants during the same period. Only births (42,796 between 2000 and 2003) exceed international migration as a component of the County's growth.

This trend toward increased diversity is expected to continue and is resulting in an increased need for outreach and services to these minority populations, many of which do not have English as their native language.

The maps on the following pages denote the distribution of African-Americans, Asians and Hispanics in Montgomery County based on an analysis of 2000 census update information. The Maryland National Park and Planning Commission is the source of all demographic data in this section of the report unless stated otherwise.

The County identifies areas eligible for CDBG funding. A map of these areas follows the population maps referenced above.

### Needs Assessment

As part of the Consolidated Plan, all jurisdictions are required to identify priority community needs. Montgomery County has a long history of community involvement in government and currently has more active boards, committees and commissions appointed to advise the County Executive and members of the Council in a variety of areas. Additionally, the County Executive and members of the County Council frequently hold community forums to hear from residents on topics of community concern and interest. In October, 2007 Montgomery County held a public hearing before the Community Development Advisory Committee to take testimony on community development needs specific to developing the Consolidated Plan. This hearing is just one of many opportunities provided for public input throughout the year.

In the face of a weakened economy, declining home sales, and less assistance from the State of Maryland, Montgomery County Executive Isiah Leggett has announced a \$3.77 billion tax-supported budget for the fiscal year that begins July 1, 2008. The budget increases spending by 3.2 percent, the lowest increase by County government in 12 years. This decrease in spending follows Leggett's earlier recommendation in January on the Capital Budget of a 1.1 percent increase, significantly down from the 25 percent increase prior to his assuming office.

The budget would abolish over 200 County government positions, reduce spending requests by \$155.4 million, which includes \$33.2 million in FY08 reductions, and increase property taxes by \$138 on the median County home while sustaining critical County services in such areas as education, public safety, and help for needy County residents.

There also continues to be a sustained commitment to affordable housing. The FY 09 budget includes an investment of over \$54 million in the Montgomery Housing Initiative fund for acquisition and rehabilitation of the County's affordable housing.

Clearly, however, needs in the aggregate far outweigh available revenues. As County Executive Isiah Leggett stated in transmitting his recommended budget to the County Council -

“I have taken a hard look at how to preserve essential services and continue significant productivity improvements while finding ways to cut costs. And even with \$33.2 million in spending cuts this year, a freeze on hiring, \$122.2 million in reductions to FY09 requests by departments and agencies, and my six-year capital budget that increases only one percent – it’s not enough.”

“I am recommending more reductions from our departments, our workforce, and certain services – with special emphasis on protecting as much as possible for our schools, public safety, and assistance for the most vulnerable.”

As part of the Consolidated Plan planning process, all jurisdictions are required to identify priority needs. In identifying these needs for this program year, emphasis is being placed on the preservation of affordable housing units and economic development. The county is an active partner with the State of Maryland in a number of activities promoted through the State’s Smart Growth Policy. This policy fosters economic vitality and improves the quality of life by maintaining and improving infrastructure and services in existing communities. The initiatives that have been undertaken under the Smart Growth Policy include, but are not limited to, Main Street Maryland, the Neighborhood Business Development Program, Enterprise Zones (businesses which locate in designated areas receive tax advantages) and Business Assistance and Permit Coordination. These programs offer the opportunity to leverage county funds. The State has made it clear that funding for economic development activity is available for use by the county in those areas designated as Smart Growth Areas.

Montgomery County has been selected for Economic Development Initiatives, Special Purpose Grants which are administered by HUD and targeted to support the revitalization effort in Silver Spring. Funds will be used for construction and financial incentives to attract other businesses to the area.

The county has incorporated several financing mechanisms to create successful public/private partnerships in commercial areas. The Facade Easement and Storefront Canopy programs are designed to encourage property owners and business operators in targeted areas to improve the physical condition and visual appearance of their buildings. The Facade Easement Program is geared toward more extensive exterior improvements, while the Storefront Canopy program is designed for improvements at a minimum cost. Staff also works with property owners and business operators to secure financing from private and public sources for improvements. Other financing tools are available through the County’s Department of Economic Development, the Maryland Department of Business and Economic Development, the Maryland Department of Housing and Community Development, and the U.S. Small Business Administration.

Recently, areas where this leveraging approach has been highly successful include: the Kensington, Wheaton, and Silver Spring. The private sector has met the challenge to reinvest and has been an active partner in making positive changes.

The County's commercial revitalization effort:

Demonstrates the county's commitment to its older commercial areas;

Encourages the infusion of private investment;

Optimizes public investment;

Capitalizes on efforts of local business and civic organizations;

Builds on momentum;

Provides a catalyst for commitment from both the public and private arenas; and,

Leverages county resources.

This partnership arrangement is based on a team effort that assumes a benefit will be achieved when both parties (i.e., public and private) assume some of the risk. Business owners and investors understand this concept.

A summary of key, priority needs for Montgomery County is provided below:

#### *Affordable Housing Without Supportive Services*

Overall, a significantly high number of Montgomery County residents are burdened by disproportionately high housing costs. There continues to be a priority need for all types of affordable and accessible housing.

Affordability is defined as a rent level equal to or less than 30 percent of household income or a housing purchase price no more than 2.5 times household income.

Twenty point nine percent of all Montgomery County households reside in garden apartments. Only single-family homes account for more households. Garden apartments are primarily rental units, and are most affordable among the various types of housing in the county. Garden apartments also have the most diverse population. The African-American population accounts for 27% of garden apartment residents. This is twice the proportion for the county as a whole. Hispanics also represent a higher percentage of residents of garden apartments than their numbers for the entire county's population.

Only 10% of the Montgomery County household population lives in high-rises. However, this population, as opposed to residents of garden apartments, is twice as likely to be over the age of 65, and four times as likely to be older than 75. Residents of high-rises are overwhelmingly white, (62.6%), and over 50% of these residents have a bachelor's degree or higher. One person households comprise 55.8% of the households residing in high-rises. Over 58.7% are non-family households. Their median income is 68% of the median county income and 29% earn under \$30,000 per year. Sixty-eight point nine percent of high-rise households are renters, and 48.2 % pay in excess of 25% of their income for housing.

High-rise renter households face a greater threat of shelter poverty than any other group of residents in the county. While garden apartment households also pay a substantial portion of their income for housing, high-rise households are 20% more likely to face this situation.

Data on income limits is provided below:

The median household income in Montgomery County is \$99,000 as of February, 2008.

Family Size	Extremely Low (30% of median)	Low (50% of median)	Moderate (Section 8 Low)
1	\$20,650	\$34,450	\$43,050
2	\$23,600	\$39,350	\$49,200
3	\$26,550	\$44,300	\$55,350
4	\$29,500	\$49,200	\$61,500
5	\$31,850	\$53,150	\$66,400
6	\$34,200	\$57,050	\$71,350
7	\$36,600	\$61,000	\$76,250
8	\$38,950	\$64,950	\$81,200

**Source: U.S. Department of Housing and Urban Development February 2008**



### Affordable Housing With Supportive Services

In addition to the need for affordable housing for low-income county residents not in need of supportive services, there is the added need for housing that is affordable and accessible that meets the supportive services needs of persons with physical or developmental disabilities, those who are elderly, those who are victims of abuse, and those with chronic mental illness or addictions. Funding to nonprofit organizations to purchase properties for use as group homes is one way to assist in meeting this need, but additional strategies need to be pursued to address this priority need.

### Shelter and Services for the Homeless

For the homeless or those threatened with homelessness, housing choices are not only limited by affordability considerations but also by the need for supportive services. Preventing homelessness through early intervention, coordinated case management, and financial assistance were identified as priorities along with more long-term transitional and permanent housing and supportive services needed to help those already homeless. The need for year-round shelter and safe havens for those single homeless persons who are unwilling or are unable to assume the responsibilities inherent in participation in the county's system of social services continue to be priorities as well. In 2005, 33% of the families in the shelter system population were identified as suffering from chronic mental illness, substance abuse or co-occurring disabilities; 43% of the families reported domestic abuse. Seventy-three percent of the single adult shelter population was identified as suffering from chronic mental illness, substance abuse or co-occurring disabilities. Issues related to the special needs of the homeless recuperating after hospital discharge or those in need of health services like dental and vision care or with illnesses such as tuberculosis or HIV/AIDS were also identified as priorities. Public services that support families, especially those benefiting children and youth and those addressing needs of the ethnically and linguistically diverse immigrants to the county, are identified as priorities, as are services for the elderly.

The county is committed to serving homeless persons through the programs/information listed below. The Housing Opportunities Commission (HOC) does not provide emergency housing. The programs on this page are specifically for people that are homeless and have been referred to HOC by other participating organizations.

However, homeless households should also look into other [housing programs](#), for which they may qualify, including Public Housing and the Housing Choice Voucher program.

- [Supportive Housing](#)
- [Shelter Plus Care \(SPC\)](#)  
Provides permanent subsidized housing, case management, and other services to homeless adults with severe and persistent mental illness.

- [\*\*State Rental Allowance Program \(RAP\)\*\*](#)  
Provides temporary rental assistance to individuals that are homeless or are experiencing a critical or emergency situation.
- [\*\*Transitional Housing \(see Supportive Housing above\)\*\*](#)  
Provides temporary or permanent rental assistance and supportive services to homeless individuals or families.
- [\*\*Veterans Affairs Supportive Housing\*\*](#)  
Provides rental assistance to homeless veterans with severe psychiatric or substance abuse disorders.
- [\*\*Housing Counseling Program\*\*](#)  
Assists low-income families or singles who are homeless or in imminent danger of becoming homeless to locate, secure, and maintain permanent housing.
- [\*\*If You Are Homeless or Facing a Housing Crisis...\*\*](#)

Anyone who is facing a housing crisis or is homeless should contact the [\*\*Montgomery County Department of Health and Human Services\*\*](#) located at 1301 Piccard Drive, Rockville, Maryland.

Montgomery County Department of Health & Human Services	Telephone
Families during normal work hours should call:	(240) 777-4550, Rockville (240) 777-3075, Silver Spring (240) 777-4448, Germantown
Families outside of normal work hours (24 hour service) should call:	(240) 777-4000, Rockville Crisis Center (240) 777-4815, TTY
Single persons should call (24 hour service):	(240) 777-4000, Rockville Crisis Center (240) 777-4815, TTY
Department of Housing and Community Affairs For help resolving a dispute with your landlord.	(240) 777-3609 (240) 777-3600

The local police department also provides information about the nearest crisis center.

An Interagency Housing Workgroup made up of public and private agency leaders has formed to study, develop and recommend policies to expand homelessness prevention efforts and housing options for households with incomes below 30% of the area median income (AMI) and who also have a disability, are homeless or are elderly. The workgroup determined that households with this very low income level and special needs require deep rental subsidies linked to appropriate housing supports and service

coordination. The County Executive responded to this need in his Recommended Operating Budget by including funding to establish a supportive housing rental assistance program to provide “deep” housing subsidies (up to 80% of Fair Market Rents) for 75 special needs and homeless households.

### *Non-Housing Community Development*

Montgomery County also places a high priority on cultivating a positive business climate through incentives to businesses which will result in job creation and retention, including support through economic and commercial revitalization activities. Capital projects including acquisition, renovation, and construction of public facilities and infrastructure improvements are components of this overall effort. Public services that support expansion of economic opportunities for persons of low and moderate-income and those with special needs, including employment, employment training, and other supportive services are a high priority as well.

### *Fair Housing*

Actions to affirmatively further housing choices for all county residents are coordinated through the County’s Office of Human Rights (OHR) and spearheaded by the Interagency Fair Housing Coordinating Group, an entity with both public and private sector representation.

Montgomery County will continue to work to address impediments to fair housing. Comprehensively activities include:

- Testing to identify, and address, discrimination in rental and sales housing and in lending practices, followed by enforcement when necessary;

- Gathering information on the level of discrimination in the county through the use of surveys and data analysis;

- Increasing general public awareness of fair housing laws through educational and outreach activities;

- Providing training and technical assistance to housing professionals, including real estate agents, mortgage lenders, property managers, appraisers, builders, and others in the industry on ways to provide equal housing opportunities and prevent housing discrimination;

- Supporting the expansion and retention of housing that is affordable and accessible to lower-income residents; and,

Continuing to identify and addressing impediments to housing choice through management and coordination of fair housing programs and activities and ongoing monitoring of legislation, policies and procedures.

## **Impediments to Fair Housing 2008 Updates**

### **Impediment 1**

#### **Unfair Lending Practices**

- The office of Human Rights is currently contracting for testing of lending institutions in Montgomery County. Anticipated completion of the lending tests is June of 2008.
- Results will be reviewed for appropriate legal, legislative or procedural action.

### **Impediment 2**

#### **Lack of Awareness**

- The Office of Human Rights placed information and displays in all of the County Libraries during April (Fair Housing Month) to increase awareness of Fair Housing rights.
- The Office of Human Rights held a community awareness program (April 2008) to introduce the community to the issues in Fair Housing.
- The Office of Human Rights participated in numerous fairs, festivals and outreach programs throughout the year to increase awareness of issues in fair housing.
- The Office of Human Rights offered a quarterly seminar for property management professionals, real estate professionals and tenants to advise participants of their rights and responsibilities regarding fair housing.

### **Impediment 4**

#### **Lack of Available, Affordable Housing for Individuals with Disabilities**

- The Office of Human Rights partnered with the Office of Disability Services to support the “Visit-Ability” and “Liv-Ability” programs for builders to build accessible housing for people with disabilities.
- The Office of Human Rights spearheaded support for legislation allowing single family homeowners to modify their residences to allow them accessibility.

## **Impediment 6**

### **Shortage of Testing**

- The Office of Human Rights continues to provide “in-house” matched pair rental testing throughout the County. The testing program estimates it will complete over 125 matched paired tests of rental units this year.

### **Strategic Plan**

The County's Capital Improvement and Public Services programs identify specific activities that will be undertaken to meet priority needs. These activities relate to goals, strategies and outcomes and reflect the vision and guiding principles of the county that are reproduced on the inside cover of this document.

Some of the activities identified in the Capital Improvement and Public Services programs are activities that will be undertaken with federal funds provided upon approval of this Consolidated Plan by the United States Department of Housing and Urban Development. The Consolidated Plan identifies and elaborates on the following strategies:

The Consolidated Plan discusses broad strategies for meeting the gaps identified between existing resources and identified needs. The Plan identifies and elaborates on the following strategies:

Target resources to achieve the broadest and most effective solutions to the problems of our most vulnerable residents, including the homeless and other populations with special needs;

Increase efficiency in service delivery for housing and community development- related programs;

Eliminate housing discrimination and barriers (legislative and other) to the provision of affordable, accessible housing;

Encourage self-sufficiency and long-term resolution of problems by focusing limited resources to address community concerns comprehensively at the neighborhood level;

Employ both public and private resources to preserve and create a variety of affordable housing options to meet the needs of the county's low and moderate income and special needs populations. Work to encourage accessibility in standard design;

Set realistic goals based on available resources and current economic and social conditions; and,

Continue economic development efforts to meet state initiatives and the current needs of businesses in the county.

The Annual Action Plan for Fiscal Year 2009 included herein notes the activities that will be funded with CDBG, HOME and ESG dollars and provides specific information about each.

### Performance Measurement

For the past five years, Montgomery County has focused on reporting the performance of selected county programs and program elements using a "family" of measures -input, output, outcome, service quality, and efficiency measures. The *Montgomery Measures Up!* initiative is coordinated by the County's Office of Management and Budget. *Montgomery Measures Up!* is part of an ongoing, long-term effort to make performance measurement and a focus on results an integral part of the way Montgomery County allocates its resources, manages its programs, and reports its progress and achievements. *Montgomery Measures Up!* is incorporated into this document by reference. Copies may be found on the County's website at:

<http://www.montgomerycountymd.gov/ombtmp>

The Plan also identifies an area of the Long Branch Community for the special designation of Neighborhood Revitalization Strategy Area, a designation that will enhance flexibility in undertaking economic development activities in this area with CDBG funds.

## **CONSOLIDATED ACTION PLAN PERFORMANCE MEASUREMENT OBJECTIVES**

### **I. Suitable Living Environment**

#### **A. Outcome: Availability/Accessibility**

##### **Outcome Statements:**

- \*300 youth/children will have access to services that may include tutoring, mentoring and enrichment activities for the purpose of providing a suitable living environment.
- \*350 elderly persons will have access to services which may include feeding programs, transportation, health services and job skills training for the purpose of providing a suitable living environment.
- \*300 people with mental and developmental disabilities will have access to services that may include life and job skills development for the purpose of creating a suitable living environment.

- \*3920 people will have access to social services that may include referrals for basic needs, healthcare, life and job skills training, and legal services for the purpose of providing a suitable living environment.
- \*545 persons will have access to shelter and other support services for the homeless for the purpose of providing a suitable living environment.
- \*2900 persons will have access to health care services for the purpose of providing a suitable living environment.

#### **B. Outcome: Sustainability**

- 5 communities/neighborhoods will have activities and services that may include streetscape enhancement, pedestrian links, and building and infrastructure improvements to create sustainability for the purpose of creating a suitable living environment.

### **II. Decent Housing**

#### **A. Outcome: Availability/Accessibility**

- 60 households will receive housing rehabilitation loans and services that improve accessibility for the purpose of providing decent housing.
- 50 persons will have access to services that address impediments to fair housing for the purpose of providing decent housing.
- 10 new permanent supportive housing units for persons with special needs will be constructed or acquired that improve accessibility for the purpose of providing decent housing.

#### **B. Outcome: Affordability**

- 2 households will receive downpayment and closing cost assistance for the purpose of creating decent affordable housing.
- 35 persons will receive rental and utility assistance for the purpose of creating decent affordable housing and prevent homelessness
- 100 affordable housing units (Housing Production & Rehabilitation HOME and CHDO Housing Production and Public Housing Modernization) of housing will be created or preserved through work of CHDOs, public housing authority, and/or other private entities for the purpose of creating decent affordable housing for LMI households

### **III. Economic Opportunity**

#### **A. Sustainability**

- 10 businesses will be assisted with façade treatment or building rehabilitation and loans in to create sustainability in targeted areas for the purpose of creating economic opportunity.

- funds will be used to implement a variety of projects on both the county and city levels that have been initiated as a result of receiving CDBG, HOME and ESG money and leveraging it with County, State and private funds.

**\* estimates will be revised based on negotiated scope of service**

### Sources of Funds

Montgomery County has been successful in securing both state and other sources of federal funding to support its initiatives. The County has secured Federal Economic Development awards and other sources of Federal funding to support homeless services. State Legacy grants have been received in the past and the County will again seek this funding.

The Montgomery County Executive in his recommended FY09 budget proposes local resources that address priority needs and specific objectives described in the Consolidated Plan. In particular, the FY09 proposed budget includes:

Building on prior investments of nearly \$5 million in the County's "Positive Youth Development" program, this budget adds over \$600,000 in new funding to address the growing need for out-of-school activities and to maintain the services provided by the Youth Opportunity Center in Langley Park.

An investment of over \$54 million in the Montgomery Housing Initiative fund for acquisition and rehabilitation of the County's affordable housing.

The budget also sustains the most important investments made in the County's public safety departments, including patrol and investigative staffing in the Police Department and field staffing in the Fire and Rescue Services, and minimizes staffing reduction impacts on response time or first response services.

The EMS Fee will be billed directly to individuals' health insurance companies, so no County resident without insurance will have to pay for transport to the hospital.

Staff is added to support the opening of the School Based Health Center at Summit Hall Elementary School. For the "Montgomery Cares" program of access to health care for the uninsured, this budget maintains the more than 19,000 clients served annually.

The County Executive is recommending community grants totaling \$4.1 million for non-profit organizations that assist County agencies in addressing human service needs.

A summary of funding and description of matching funds is contained later in this report.



### Action Plan

DHCA is responsible for the submission of the Action Plan to HUD. A one-year Action Plan must be submitted to HUD no later than May 15, 2008. In preparation of this plan, DHCA worked closely with the Community Development Advisory Committee (CDAC) appointed by the County Executive. Additional information regarding citizen participation is found in the appendix to the Action Plan.

A public hearing was held in October 2007, before the CDAC to receive citizen input regarding needs to be addressed in the Plan and to review past performance. A summary of testimony from this hearing is on file at DHCA. Other hearings were held in April 2008, before the County Council to receive comments on the activities proposed to be undertaken prior to finalizing the Action Plan for submission to HUD. DHCA staff consulted with and collected data from numerous sources in preparing the annual Action Plan including staff in surrounding jurisdictions and at local and State levels.

### **Community Development Block Grant (CDBG) July 1, 2008 - June 30, 2009**

#### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**\$ 6,168,129**

The county expects to receive \$5,068,129 in CDBG funds for Fiscal Year 2009, and with anticipated program income of \$1,100,000, an estimated total of \$6,168,129 in CDBG funds will be available for the following activities.

The City of Gaithersburg has notified the County of the receipt of program income based on the sale of a property in the City. At the time of the original purchase of the property the City was a sub-recipient of the County. The City will be permitted to retain these funds for a project that will serve low-moderate income persons. The Consolidated Plan submitted by Gaithersburg will provide details on the expenditure of these funds. The appendix of this report contains a letter agreement between the County and the City on this matter.

### **CAPITAL IMPROVEMENTS PROJECTS**

#### **Fenton Street Village Pedestrian Linkages**

**\$ 250,000**

This project provides funds for pedestrian links in the commercial area located along the eastern edge of the Silver Spring Central Business District and is an extension of the streetscape program that is being implemented in the area. The extended pedestrian network will ensure safe pedestrian connections from the public parking facilities in the interior of each city block to the businesses on Georgia Avenue, Fenton Street and the side streets.

#### **Long Branch Pedestrian Linkages**

**\$ 171,000**

This project will provide for a series of linkages in the Long Branch community that will connect the high-density residential areas with the Village Center and other key activity/service centers such as the Long Branch Library and the Long Branch Community Center. Significantly, a new ADA accessible bridge will provide a safe, pedestrian accessible link between the Community Center and the Library. It will also stabilize, protect, and enhance existing streamside areas and preserve the natural

character of the stream valley and improve pedestrian and bike circulation and accessibility in the Long Branch Village Center by connecting single-family and multi-family housing to playgrounds, the library and the community center pool complex.

**South Silver Spring Pedestrian Linkages** **\$ 680,000**

This project provides for a series of pedestrian links through large, awkwardly-shaped city blocks in South Silver Spring that will improve connections between existing businesses, parking and Montgomery College, and planned, new commercial development, and over 1,000 new housing units. The objective is to overcome the inconvenience and isolation created by the unusually large block pattern in the area. These links will be created partly on Parking Lot District property and partly on private land. .

**Facility Planning** **\$ 50,000**

A total of \$50,000 will be used to conduct preliminary planning and design studies for a variety of projects dispersed throughout the County for possible inclusion in a future capital budget.

**Contingency (Capital)** **\$100,000**

**PROJECTS ADMINISTERED BY COUNTY GOVERNMENT**

**Department of Housing and Community Affairs (DHCA)**

**Commercial Façade Improvement Program** **\$ 100,000**

A total of \$100,000 will be used to improve commercial building facades through loans to owners of older commercial properties in targeted areas to make needed improvements.

**Commercial Sign and Canopy Program** **\$ 100,000**

A total of \$100,000 will be used to share the cost of new signs and canopies through loans to owners of older commercial properties in targeted revitalization areas.

**Comprehensive Neighborhood Assistance** **\$ 100,000**

A total of \$100,000 will fund services and/or physical improvements in conjunction with other public and private initiatives in older, moderate-income neighborhoods to enhance the quality of life and address residents' concerns.

**Demolition** **\$ 30,000**

A total of \$30,000 will be used to demolish condemned structures in the county.

**Group Home Acquisition and Rehabilitation** **\$ 320,000**

A total of \$320,000 will continue a program providing loans to purchase properties by nonprofit organizations for use as group homes, and to provide rehabilitation and accessibility improvements for nonprofit group homes.

**Housing Rehabilitation and Production** **\$ 1,455,504**

A total of \$1,455,504 will fund the County's ongoing rehabilitation program to enable low and moderate income owners of single-family homes and owners of multi-family properties occupied by low- and moderate-income tenants to eliminate code violations

and make other necessary improvements, including energy conservation improvements. Some funds may also be used as financing to produce or preserve affordable housing in the county.

**Public Housing Modernization** **\$124,000**

A total of \$124,000 will be used for loans to the Housing Opportunities Commission (HOC) that will fund improvements to the County's aging public housing stock. HOC, through its long range planning process, has identified essential repairs that are needed at many of the 1,500 public housing units it manages.

**Housing Acquisition** **\$ 200,000**

A total of \$200,000 will be used to provide loans to assist in the purchase of properties for low and moderate income housing.

**Project Analysis and Engineering** **\$ 105,000**

A total of \$105,000 will be used for project analysis and engineering studies associated with projects in revitalization areas.

**Contingency (Operating)** **\$ 50,000**

**NONPROFIT PROVIDERS**

**A Wider Circle** **\$15,000**

**"Neighbor to Neighbor"**

A total of \$15,000 in first year funding to be used to collect donations of furniture and basic home goods and distributes these items to families in need. An estimated 3,000 people will benefit.

**Asian American LEAD (Leadership, Empowerment and Development)** **\$ 22,500**

**"AALEAD Mentoring Program"**

A total of \$22,500 in third year funding will be used to continue a one-on-one mentoring program for 50 low-income Asian American students in the Aspen Hill, Silver Spring, Wheaton and Glenmont areas. An estimated 50 people will benefit.

**Asian Pacific American Legal Resource Center (APLRC)** **\$22,500**

**"Asian American Domestic Violence Project"**

A total of \$22,500 in third year funding will be used to support staff in their efforts to provide culturally and linguistically appropriate general legal assistance to Montgomery County residents.

An estimated 50-100 people will benefit.

**CASA of Maryland, Inc.** **\$37,500**

**"Employment Rights Project"**

A total of \$37,500 in first year funding will be used to provide employment rights services through counseling, representation and education of low-wage workers who have not been paid their wages. Legal counseling and representation to tenants on landlord-tenant issues. An estimated 1,000 people will benefit.

**Catholic Charities of the Archdiocese of Washington, M.C. Center** **\$25,500**  
**“Housing Support”**

A total of \$25,500 in second year funding will be used to continue a program to provide housing support, including first month’s rent to low income individuals and families who are currently homeless; leaving emergency or transitional shelters; living in overcrowded conditions, or newcomers to the country without resources. An estimated 105 people will benefit.

**Crossway Community, Inc.** **\$ 15,000**  
**“Environmental Learning Initiative”**

A total of \$15,000 in first year funding will be used to expand a gardening/environmental learning program at Crossway Community. An estimated 400 people will benefit

**Easter Seals Society** **\$ 40,000**  
**“Easter Seals Family Respite Program”**

A total of \$40,000 in second year funding will be used to provide respite care to children with disabilities and their families in Montgomery County. An estimated 75 people will benefit.

**Gapbuster Learning Center** **\$ 45,000**  
**“Cross-Tutorial Mentoring”**

A total of \$45,000 in first year funding will be used to address academic and social developmental needs of minorities and low-income students. Each student will be provided with tutoring and or mentoring during the school year by an older student or an adult. An estimated 80 students will benefit.

**Housing Opportunities Community Partners, Inc.** **\$ 20,000**  
**“Students Upward Bound”**

A total of \$20,000 in first year funding will be used to fund a program that offers workshops, SAT Prep coursework, individualized guidance counseling and financial assistance to help low-income, at-risk students (grades 10-11) living in public housing. An estimated 100-130 students will benefit.

**Jewish Council for the Aging of Greater Washington, Inc.** **\$ 29,500**  
**“Project Log On”**

A total of \$29,500 in first year funding will be used to provide computer and internet training to low income seniors seeking employment, who lack the technical skills essential to securing a job in today’s market place. An estimated 50 people will benefit.

**Jewish Social Service Agency** **\$45,000**  
**“Project Linkage”**

A total of \$45,000 in first year funding will be used to assist youth and young adults in identifying career paths, matching career options with abilities and interests and developing strategies for securing employment. An estimated 30 youth will benefit.

**Korean Community Service Center of Greater Washington, Inc.** **\$ 22,500**  
**“Asian Minority Outreach and Services”**

A total of \$22,500 in first year funding will be used to assist low-income families to promote health and well being, to ensure stable housing, to increase service accessibility and to achieve legal immigrant status. An estimated 1,400 people will benefit.

**Latino Economic Development Corporation** **\$22,500**  
**“Small Business Development”**

A total of \$22,500 in second year funding will be used to continue providing business lending, training, organizing, and technical assistance services to small businesses owned by low and moderate income Latinos and other underserved communities throughout Montgomery County. An estimated 800 people will benefit.

**Liberty’s Promise** **\$ 45,000**  
**“Enriching Montgomery County’s Youth”**

A total of \$45,000 in second year funding will be used to offer professional internship and civic education programs to low-income immigrant youth. Liberty’s Promise will partner with the Housing Opportunities Commission (HOC) to reach a portion of the community living in assisted or subsidized housing units. An estimated 50 immigrant youth will benefit.

**Ministries United Silver Spring Takoma Park, Inc. (MUSST)** **\$40,000**  
**“Filling the Medical Prescription Gap is a MUSST”**

A total of \$40,000 in second year funding will be used to continue to assist eligible, low income, uninsured individuals purchase medically necessary prescription medications, provide information on prescription assistance programs, help with the application process, and input client data into MEDBACK proprietary database RxBridge. An estimated 100 people will benefit.

**Montgomery County Coalition for the Homeless** **\$ 6,438**  
**“Partnership for Permanent Housing”**

A total of \$6,438 in second year funding and an additional \$18,562 in ESG funds will be used to continue supporting a Case Manager position for the Partnership for Permanent Housing program, which provides supportive service to households and assist them in maintaining housing stability. An estimated 50 people will benefit.

**Montgomery County Coalition for the Homeless** **\$ 30,000**  
**“Daytime Case Management”**

A total of \$30,000 in first year funding will be used to provide intensive case management services to shelter residents at the Men’s Emergency Shelter, during daytime hours. An estimated 100 people will benefit.

**St. Luke’s House, Inc.** **\$ 40,000**  
**“Case Management Services”**

A total of \$40,000 in first year funding will be used to provide employment oriented case management services to adults annually who are low income and uninsured and have serious and persistent mental illness. A total of 35 people will benefit.

**Threshold Services, Inc.** **\$ 23,000**  
**“Compeer of Montgomery County”**

A total of \$23,000 in third year funding will be used to continue a Compeer program which pairs volunteers in one-on-one friendship relationships with people who are recovering from mental illness and co-occurring mental illness and substance abuse disorders. An estimated 111 people will benefit.

**YMCA of Metropolitan Washington, Youth & Family Services** **\$ 45,000**  
**“Northwest Park Community Center”**

A total of \$45,000 in second year funding will be used to continue supporting staff and operational expenses at the Northwest Park Community Center. An estimated 100 households will benefit.

**PROJECTS ADMINISTERED BY MUNICIPALITIES**

**CITY OF TAKOMA PARK** **\$ 135,000**

**Manna Food Center Inc.,** **\$ 9,000**  
**“Smart Sacks and Takoma Park Distribution”**

A total of \$9,000 will be used by the grantee to provide for weekly distribution of 320 boxes of food to low and moderate income residents of Franklin Apartments and other low income housing units in Takoma Park and backpacks of child friendly food to low and moderate income children attending local public elementary schools. A total of 725 people are expected to benefit.

**Digital Bridge** **\$ 6,000**  
**“Community Technology and Resource Center”**

A total of \$6,000 will be used to provide hands on computer training to low and moderating income households with emphasis on assistance to those who are unemployed or underemployed. A total of 75 persons are expected to benefit.

**City of Takoma Park** **\$ 5,000**  
**“Recreation Department Scholarship Program”**

A total of \$5,000 will be used by the City of Takoma Park to provide financial assistance to income eligible families to allow the children to participate in before/after school programs in the City. A total of 9 families are expected to benefit.

**City of Takoma Park** **\$115,000**  
**“Affordable Housing Initiative”**

A total of \$115,000 will be used by the City of Takoma Park to provide gap financing for the acquisition, demolition and/or renovation of existing housing, gap financing for new construction and downpayment assistance. Projects may include and rental ownership opportunities. A total of 12 households are expected to benefit.

**CITY OF ROCKVILLE** **\$ 304,000**

**Community Ministries of Rockville** **\$ 15,000**  
**“Latino Outreach Program”**

A total of \$15,000 will be used to empower foreign born community members in Rockville and surrounding areas by helping them become U.S. citizens through the naturalization component of the Latino Outreach Program. This service will assist approximately 150 individuals.

**Community Ministries of Rockville** **\$ 12,500**  
**“Safe and Habitable Homes”**

A total of \$12,500 will be used to program operating expenses associated with providing code related repairs and minor structural modifications to improve

accessibility for low income seniors. This service will be able to assist approximately 35 individuals.

**Rockville Housing Enterprises**

**\$ 60,000**

A total of \$60,000 will be used by Rockville Housing Enterprises for a resident counselor (\$25,000), as well as for improvements to scattered site public housing units (\$35,000). The counselor will benefit approximately 120 families, while the physical improvements will benefit an estimated 10 families.

**Community Ministries of Montgomery County  
“Rehabilitation of 719 Carr Avenue”**

**\$ 10,000**

A total of \$10,000 will be used by Community Ministries of Montgomery County to provide code related repairs and structural modifications to improve this single family home. A total of 8 people will benefit.

**Single-Family Rehabilitation**

**\$ 206,500**

A total of \$260,500 will be used to provide low-interest loans and grants to income eligible homeowners who need financial assistance in eliminating major code violations, and to correct drainage problems on private property in the Lincoln Park neighborhood. An estimated 15 families will benefit.

**CONTINGENCY**

**\$ 150,000**

A total of \$150,000 will be available for both capital (\$100,000) and operating (\$50,000) expenditures to allow for emergency community development needs, including setting aside funds for ongoing CDBG projects which may require additional funding, and funding non-public service out-of-cycle requests.

**ADMINISTRATION**

**\$ 1,233,625**

A total of \$1,233,625 will fund DHCA’s staff in planning, administration and monitoring of the CDBG program, including application review and staff support for a citizen's advisory committee, environmental reviews, contract preparation, payment processing and auditing, federal reporting and loan servicing.

**SUMMARY OF EXPECTED BENEFIT FROM CDBG PROJECTS**

<b>Persons</b>	<b>8,579</b>
<b>Households</b>	<b>146</b>

**HOME Investment Partnerships Program (HOME)**  
**July 1, 2008 - June 30, 2009**

**HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) \$ 2,760,422**

The HOME grant is designed to increase housing choices for low-income households through rental and home ownership programs, in cooperation with public, private and nonprofit organizations. During the coming year, it is anticipated that the County will receive \$2,240,721, in funding for HOME projects, and together with anticipated program income of \$500,000, an estimated total of \$2,740,721 in HOME funds will be available. Funds will generally be made available in the form of low-interest loans and other subsidies, and units assisted may be both rental and owner-occupied. Additionally, as noted below, the County will also receive \$19,701 to support homeownership activities through the American Dream Downpayment Initiative.

**PROJECTS ADMINISTERED BY COUNTY GOVERNMENT**

**Department of Housing and Community Affairs (DHCA)**

**Housing Production and Rehabilitation \$ 1,956,815**

A total of \$1,956,815 will be used to create home ownership opportunities, new rental housing, or to rehabilitate existing housing (both rental and single-family homes). This housing will principally serve low-income households. DHCA will work with the private sector, non-profits and the Montgomery County Housing Opportunities Commission (HOC) in implementing this program. Additionally, if the opportunity is available, HOME funds will be used for group homes to serve special populations and for specialized housing programs.

**Community Housing Development Organizations (CHDOs) \$ 336,108**  
**Housing Production**

A total of \$336,108 will fund the housing development activities of CHDOs. This represents the federally mandated fifteen percent of the HOME allocation. Up to 10 percent of this total (\$33,610) may be used for project-specific technical assistance, site control, and seed money loans. It is anticipated that one to three organizations will use these funds for acquisition, construction, or renovation of rental housing for persons with low-incomes.

**American Dream Downpayment Initiative \$ 19,701**

Under this new initiative, low-income families will be eligible to receive grants of up to \$19,701 to purchase single-family homes.

**PROJECTS ADMINISTERED BY NONPROFITS AND OTHER PUBLIC AGENCIES**

**CHDO Operating Assistance \$ 112,036**

Five percent of the HOME allocation (\$112,036) will be used to fund the administrative costs of qualified CHDO's in Montgomery County. Montgomery Housing Partnership (MHP) will receive \$84,027 and Housing Unlimited will receive \$28,009. By regulation, only CHDO's using HOME funds to own, sponsor, or develop affordable housing are eligible for operating support. This operating



support cannot exceed 50 percent of a CHDO's operating budget in any fiscal year or \$50,000 annually, whichever is greater.

**Rental Assistance**

**\$ 111,690**

Up to a total of \$111,690 may be used for a rental assistance program to match the State of Maryland's existing rental assistance program, which serves persons and households who are homeless or about to be homeless. Eligible households will be taken from a waiting list as required by HUD; the Montgomery County Housing Opportunities Commission (HOC) will operate this program.

**Fair Housing Activities**

**\$ 37,000**

A total of \$37,000 will be used for fair housing activities, such as sales, rental and lending testing, education/outreach, training and research. Activities will be administered by the Office of Human Rights. This amount represents the same level of funding as has been the case for the past two years.

**ADMINISTRATION**

**\$ 187,072**

A total of \$187,072 will be used to cover the county's expenses associated with operating the HOME Program.

**SUMMARY OF EXPECTED BENEFIT FROM HOME PROJECTS**

<b>Persons</b>	<b>85</b>
<b>Households</b>	<b>187</b>
<b>Units</b>	<b>400</b>
<b>CHDO's</b>	<b>2</b>

**Emergency Shelter Grant (ESG)  
July 1, 2008 - June 30, 2009**

**EMERGENCY SHELTER GRANT (ESG)**

**\$ 226,875**

The ESG Program enables the county to provide housing and other services to persons who are homeless or in danger of becoming homeless. Although smaller than the CDBG or HOME programs, the ESG program serves an essential role in providing services to our neediest population, the homeless. The County expects to receive \$226,875 in the coming year for ESG projects.

**PROJECTS ADMINISTERED BY DHCA**

**Homeless Prevention Assistance**

**\$ 68,000**

A total of \$68,000 will be used to provide homeless prevention assistance, including payments for rent and utility arrearages necessary to prevent eviction, as well as security deposits or first month's rent to enable persons who are homeless or at-risk of homelessness to secure housing. An estimated 80 people will benefit.

**Shelter Renovation/Maintenance**

**\$ 79,470**

A total of \$79,470 will be used to renovate and/or maintain shelters serving the homeless in Montgomery County. An estimated 150 people will benefit.

**NONPROFIT PROVIDERS**

**Montgomery County Coalition for the Homeless  
"Partnership for Permanent Housing"**

**\$ 18,562**

A total of \$18,562 (and an additional \$6,438 in CDBG) will be used to relocate families, couples without children, and single adults directly from homeless shelters to permanent, subsidized housing. An estimated 100 people will benefit.

**Community Ministry of Montgomery County, Inc. (CMMC)  
"Supported Employment Program"**

**\$ 37,500**

A total of \$37,500 will be used to continue to support a full-time Vocational Counselor to enroll up to 80 homeless clients in a Supported Employment Program to assist them to achieve independence through meaningful employment and to meet employer's needs by providing long-term, qualified, dependable employees. A total of 80 people will benefit.

**Stepping Stones Shelter  
"Parent Education Program"**

**\$ 12,000**

A total of \$12,000 will be used to provide parenting classes to family shelter residents, to pay for childcare, and GED and ESOL classes. An estimated 135 people will benefit.

**ADMINISTRATION**

**\$ 11,343**

A total of \$11,343 will be used to cover the county's expenses associated with operating the ESG Program.

**SUMMARY OF EXPECTED BENEFIT FROM ESG PROJECTS**

**Persons**

**545**